UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

IN THE MATTER OF:	)	
	)	
International Truck and Engine Corporation Indianapolis, Indiana	)	**NOTICE OF VIOLATION**
	)	
	)	**EPA-5-04-IN-08**
	)	
Proceedings Pursuant to Section 113(a)(1) of the Clean Air Act, 42 U.S.C. § 7413(a)(1)	)	

NOTICE OF VIOLATION

The United States Environmental Protection Agency (U.S. EPA) is issuing this Notice of Violation under Section 113(a)(1) of the Clean Air Act, 42 U.S.C. § 7413(a)(1) (the Act). U.S. EPA finds that International Truck and Engine Corporation (International) is violating the nonattainment New Source Review provisions of the Act, 42 U.S.C. § 7501-7515, and the Indiana State Implementation Plan (SIP), as follows:

Statutory and Regulatory Background

1. On March 3, 1978, pursuant to Section 107 of the Act, 42 U.S.C. § 7407, U.S. EPA designated Marion County, Indiana as nonattainment for ozone. 42 Fed. Reg. 8962 (March 3, 1978).

2. Effective June 30, 1979, the New Source Review regulations at 40 C.F.R. § 52.24 prohibited the construction or modification of major stationary sources in nonattainment areas if the emissions from that source would cause or contribute to concentrations of any pollutant for which the national ambient air quality standard is exceeded, unless the SIP met the requirements of Part D of the Act, 42 U.S.C. §§ 7501-7509.

3. 40 C.F.R. § 52.24(f)(4)(i)(a) defines a "major stationary source" as any stationary source of air pollutants which has the potential to emit 100 tons per year or more of any

pollutant subject to regulation under the Act. Volatile organic compounds (VOCs) are subject to regulation under the Act.

4. On February 16, 1982, U.S. EPA approved, as part of the Indiana SIP, Indiana Air Pollution Control Board 19 (APC 19), which sets forth construction and operating permit requirements for sources of air emissions. APC 19 implements Part D of the Act, 42 U.S.C. §§ 7501-7509. 47 Fed. Reg. 6621 (February 16, 1982).

5. Section 2(a) of APC 19 states that "[a]ny person proposing to operate any existing facility which has the potential to emit 25 tons per year or more of any regulated pollutant must comply with the requirements of Sections 4,5, and 6 of [APC 19]."

6. Section 2(b) of APC 19 states that "[a]ny person proposing to begin, after the promulgation of this regulation, construction, modification or reconstruction of any facility which will result in a potential increase of emissions of 25 tons per year or more of any regulated pollutant shall comply with the requirements of Sections 4 and 6 of this regulation."

7. Section 2(c) of APC 19 states that "[a]ny person proposing the modification of an existing facility, which will increase the facility's potential emissions of any one regulated pollutant by the amounts specified below . . . (4) Volatile organic compounds in excess of either three pounds per hour or 15 pounds per day, . . , but which does not have the potential to emit 25 tons per year or more of the regulated pollutant shall comply with the requirements set forth in Section 3 of this regulation."

8. Section 3 of APC 19 provides that "[n]o person required by Sections 2(c) or (d) of this regulation to comply with this section shall commence construction, modification, reconstruction or operation of a facility . . . without registering the same with the Board."

9. APC 19, Section 4(a), states that no person required by Section 2(b) of APC 19 to comply with Section 4 shall

commence construction, modification or reconstruction of any facility without first applying for and obtaining a construction permit.

10. APC 19, Section 4(b)(4), states that any person proposing the construction, modification or reconstruction of a major facility in an ozone nonattainment area must comply with the lowest achievable emission rate (LAER) for VOC, and comply with the applicable portions of APC 19, Section 8, concerning "Emissions Offsets".

11. APC 19, Section 5, states that no person shall operate any facility which has the potential to emit 25 tons or more per year of any one regulated pollutant without first applying for and obtaining an operating permit.

12. On November 6, 1991, U.S. EPA classified Marion County as nonattainment for ozone. 56 Fed. Reg. 56753 (November 6, 1991).

13. On December 6, 1994, U.S. EPA approved Indiana SIP Rule 326 IAC 2, containing requirements for new or modified major stationary sources or major modifications constructed in nonattainment areas, as part of the federally enforceable SIP for Indiana. 59 Fed. Reg. 51108 (December 6, 1994). This rule replaced APC 19.

14. 326 IAC Section 2-1 sets forth the operating and permitting requirements for sources constructing or making modifications with potential emissions of 25 tons per year or more of a regulated pollutant.

15. 326 IAC 2-1-3(a) governs construction permits and requires that no person shall commence construction or modification of any source or facility without first applying for and obtaining a construction permit from the commissioner.

16. 326 IAC 2-1-4(a) governs operating permits and requires that no person shall operate any source or facility without first applying for and obtaining a permit to operate said source or facility from the commissioner.

17. 326 Section 2-2 sets forth the registration permitting

requirements for construction or modification with potential emissions of less than 25 tons per year, but with VOC emissions of greater than 3 pounds per hour or 15 pounds per day.

18. 326 Section 2-1(a) states that no person with potential emissions of less than 25 tons per year, but with VOC emissions of greater than 3 pounds per hour or 15 pounds per day, shall commence construction, operation or modification of any source or facility without registering with the commissioner.

19. 326 IAC Section 2-3 sets forth the "Emission Offset" requirements for new and modified stationary sources in nonattainment areas.

20. 326 IAC 2-3-3(a)(2) provides that prior to the issuance of a construction permit, the applicant must apply emission limitation devices or techniques to the proposed construction or modification such that it achieves LAER for the applicable pollutant.

21. 326 IAC 2-3-3(a)(5) requires that emissions resulting from the proposed construction or modification be offset by a reduction in actual emissions of the same pollutant from an existing source or combination of existing sources.

22. 326 IAC 2-3-3(a)(6) states that the applicant must obtain the necessary preconstruction approvals and must meet all the permit requirements specified in Indiana SIP rule 326 IAC 2-1.

23. On February 10, 1986, U.S. EPA approved Indiana SIP Rule 326 IAC 8, containing requirements for sources VOC emissions, as part of the federally enforceable SIP for Indiana. 51 Fed. Reg. 4912 (February 10, 1986).

24. 326 IAC 8-1-6 states that "new facilities (as of January 1, 1980), which have potential emissions of 22.7 megagrams (25 tons) or more per year, located anywhere in the state, which are not otherwise regulated by other provisions of this article (326 IAC 8), shall reduce VOC emissions using best available control technology (BACT)."

25. On November 30, 1994, U.S. EPA classified Marion County as attainment for ozone. 59 Fed. Reg. 54391 (November 30, 1994).

International Truck and Engine Corporation's Facility

26. International owns and operates a grey iron foundry, located at 5565 Brookville Road, Indianapolis, Indiana (the facility). Cold box core machines are used to make cores for the molding process at the grey iron foundry. The cold box core machine process uses an amine catalyst, triethylamine (TEA), which is a hazardous air pollutant and a VOC.

27. The facility is located in Marion County, which is currently attainment for ozone, but has been designated as nonattainment area for ozone.

28. The facility is a "major stationary source" as that term is defined at 40 C.F.R. § 52.24(f)(4)(i)(a).

29. Between 1977 and 1995, a total of 13 cold box core machines were installed at the Facility to make cores in the foundry molding process.

30. In 1977, International installed cold box core machine CB30, which has the potential to emit 54.85 tons per year (TPY) of uncontrolled VOC (TEA gas) emissions.

31. In 1979, International installed two cold box core machines, identified as N and S isocures, which each have the potential to emit 19.20 TPY of uncontrolled VOC (TEA gas) emissions.

32. In 1985, International installed cold box core machine 4040 #2, which has the potential to emit 23.58 TPY of uncontrolled VOC (TEA gas) emissions.

33. In 1988, International installed cold box core machine 3540 North, which has the potential to emit 22.92 TPY of uncontrolled VOC (TEA gas) emissions.

34. In 1989, International installed four cold box core machines, identified as 5050#1, 5050#2, 4040#5 and 4040#6, which have the potential to emit 38.39, 38.39, 19.97 and 19.97 TPY, respectively, of uncontrolled VOC (TEA gas) emissions.

35. In 1990, International installed cold box core machine 3540 South, which has the potential to emit 17.34 TPY of uncontrolled VOC (TEA gas) emissions.

36. In 1991, International installed two cold box core machines, identified as 4040#3 and 4040#4, which have the potential to emit 33.32 and 33.75 TPY, respectively, of uncontrolled VOC (TEA gas) emissions.

37. In 1995, International installed cold box core machine 4040#7, which has the potential to emit 20.35 TPY of uncontrolled VOC (TEA gas) emissions.

38. VOC emissions from the cold box core machines are subject to the VOC regulations for new and modified major stationary sources in nonattainment areas set forth in 40 C.F.R. § 52.24 and the Indiana SIP at APC 19 and 326 IAC 2.

Findings of Violation

39. Between 1979 and 1982, International made major modifications to a major stationary source when it installed two cold box core machines, in a nonattainment area, in violation of the construction ban in 40 C.F.R. § 52.24(a).

40. Between 1982 and 1991, International failed to obtain the proper permits when it installed six cold box core machines in violation of 40 C.F.R. § 52.24(a).

41. In 1985, International installed a cold box core machine without registering in violation of APC 19, Section 3.

42. In 1988, International installed a cold box core machine without registering and applying BACT in violation of APC 19, Section 3 and 326 IAC 8.

43. In 1989, International installed four cold box core machines

without obtaining construction and operating permits and without complying with the LAER and emission offset requirements, in violation of APC 19, Section 2 and 326 IAC 2.

44. In 1990, International installed a cold box core machine without registering and applying BACT in violation of APC 19, Section 3 and 326 IAC 8.

45. In 1991, International installed two cold box core machines without obtaining construction and operating permits and without complying with the LAER and emission offset requirements, in violation of APC 19, Section 2 and 326 IAC 2.

46. In 1995, International installed a cold box core machine without registering and applying BACT in violation of 326 IAC 2 and 326 IAC 8.

12/19/03
Date

for William P. Tyson
Stephen Rothblatt, Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Shanee Rucker, certify that I sent a Notice of Violation, No. EPA-5-04-IN-08, by Certified Mail, Return Receipt Requested, to:

Mr. Howard Miller
International Truck and Engine Corporation
5565 Brookville Road
Indianapolis, Indiana 46219

I also certify that I sent copies of the Notice of Violation by first class mail to:

David McIver, Chief
Office of enforcement Air Section
Indiana Department of Environment Management
100 North Senate Avenue, Room 1001
Indianapolis, Indiana 46206-6015

Cheryl Carlson
Office of Environmental Services
City of Indianapolis
2700 South Belmont Avenue
Indianapolis, Indiana 46221-2274

on the 23 day of December, 2003.

Shanee Rucker

Shanee Rucker, Secretary
AECAS, (MI/WI)

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 0006 0296 0756